FOREIGN CROPS AND MARKETS

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Feature of Issue: NORTH EUROPEAN MARKETS IN JANUARY

AUSTRALIAN WHEAT PRODUCTION ESTIMATE REDUCED

The Australian wheat crop is now estimated at 107,000,000 bushels, according to a cable from the International Institute of Agriculture, which is a slight decrease from the estimate of 110,000,000 bushels made about the middle of January. The final estimate for 1924-25 is 164,000,000 bushels. The present harvest is practically completed and the harvesting weather has been favorable.

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CURRENT MARKET CONDITIONS

The German hog market was somewhat stronger for the week of February 17, but lard prices were easier. At Liverpool, bacon was irregular, with American and Canadian offerings steady to stronger and Danish slightly weaker. Foreign butter prices displayed little variation from the preceding week, but a stronger Danish exchange rate created an increase of nearly 2 cents in the Copenhagen quotation. At the Liverpool apple auctions of February 17, barreled stock was steady to slightly stronger than a week ago, with boxes displaying little or no change. See pages 230, 231, 246 and 247.

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NORTH EUROPEAN MARKETS IN JANUARY

Indications are that economic conditions in Germany reached their lowest level during January 1926. While the immediate future is not bright, forces are at work which point the way to recovery. Denmark is feeling certain ill effects from increasing competition in butter and from tariff hindrances to international trade. The Netherlands are feeling the lack of business resulting from the unfavorable position of Germany. There is little or no improvement in the situation in Poland. See page 235.

CROP PROSPECTS

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CEREAL CROPS

Winter Seedings

The condition of winter cereal crops in Europe remains unchanged. There are occasional rumors of flood damage, or other unfavorable conditions but these usually refer to small areas and will not appreciable affect the total outturn of the crop. It is still too early in the season to receive any definite information on winter killing.

Reports from North Africa continue favorable. Germination and growth of the wheat and barley crops in Egypt are reported to be satisfactory.

Reports from India are variable. In some sections conditions appear to be satisfactory while in other sections moisture is badly needed.

Corn

A marked reaction to warmer weather in the corn region of Argentina following the normal temperature of last week is reported by cable to the United States Weather Bureau. Rainfall was very light, the average being only .1 inch, which would be .6 inches below normal.

BREAD GRAINS: Acreage of winter sowings, average 1909-13 annual 1924 - 1926.

Crop and Country	Average 1909-13 a/	1924	1925	1926	Per cent 1926 is of 1925 Decrease
WHEAT	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Per cent
Total, 10 countries b/	91,595	104,497	105,709	102,473	3.1
Rumania c/	8,183	6,632	7,242	6,953	4.0
Total, 11 countries..	99,778	111,129	112,951	109,426	3.1
RYE d/					
Total, 8 countries	11,821	12,294	12,227	10,927	10.6
Rumania	1,286	671	668	634	5.1
Total, 9 countries....	13,107	12,965	12,895	11,561	10.3

a/ Where changes in boundaries have occurred as a result of the world war estimates have been adjusted to correspond with the area within the post-war boundaries. b/ Estimates for earlier years given for comparison refer to winter acreage only where comparable statistics of winter seedings are available, in some of the monor producing countries where most of the crop is winter wheat and where abandonment is of little significance estimates of earlier years given for comparison are the final estimates of the total crop. c/ Winter crop only. d/ Estimates of earlier years given for comparison are final estimates of the total winter and spring area harvested.

CROP PROSPECTS, CONT'D.

CEREAL CROPS: Production 1924 and 1925

Crop and Country	1924	1925	Decrease from 1924	Increase over 1924
WHEAT	1,000 bushels	1,000 bushels	Per cent	Per cent
Total, 36 countries	2,866,483	3,178,216		10.9
Sweden	6,876	13,790		100.6
Chosen	10,289	10,509		2.1
Australia	164,042	107,000	34.8	
New Zealand	5,471	4,593	16.0	
Total, 40 countries	3,053,161	3,314,108		8.5
World total excluding U. S. S. R. (Russia)	3,091,000			
RYE				
Total, 25 countries	713,197	968,697		35.8
Sweden	11,052	28,081		154.1
Total, 26 countries	724,249	996,778		37.6
World total excluding U. S. S. R. (Russia)	728,000			
BARLEY				
Total, 33 countries	968,284	1,154,717		19.3
Sweden	13,303	14,702		10.5
Rumania	30,759	47,598		54.7
Chosen	40,354	40,354		
Total, 36 countries	1,052,700	1,257,371		19.4
World total excluding U. S. S. R. (Russia)	1,202,000			
OATS				
Total, 31 countries	3,333,987	3,544,129		6.3
Sweden	74,392	84,396		13.4
Poland	166,171	228,350		37.4
Total, 33 countries	3,574,550	3,856,875		7.9
World total excluding U. S. S. R. (Russia)	3,702,000			
CORN				
Total, 17 countries	2,933,959	3,521,011		20.0
World total excluding U. S. S. R. (Russia) and CHINA	3,721,000			

C R O P P R O S P E C T S, C O N T ' D.

Larger Grain Seedings indicated in Algeria

A preliminary estimate of the wheat area in Algeria for the 1926 harvest is placed at 3,556,000 acres according to the International Institute of Agriculture. It is reported to be about 4 per cent greater than the corresponding area last year. The total wheat area harvested in 1925 amounted to 3,640,000 acres. It must be borne in mind that the preliminary estimates for Algeria are usually incomplete with no way of ascertaining what regions are not reported. It is impossible to give a definite corresponding figure for last year.

The barley area is placed at 3,236,000 acres, also about four per cent above a corresponding estimate last year, when the final estimate was 3,317,000 acres, and oats 620,000 acres, about the same as last year when the final figure was 651,000 acres. The wheat area of Syria is reported as 820,000 acres and barley 653,000 acres. No figures are available for 1925 for comparison.

SUGAR

SUGAR: Production of cane and beet sugar in countries reporting for 1925-26

Country	1924-25	1925-26	Increase over 1924-25
BEET SUGAR	Short tons	Short tons	Per cent
Total, 13 European countries and United States..........	7,918,494	7,942,618	.3
New estimate received - Austria....................	83,159	85,572	2.9
Total, 14 European countries and United States..........	8,001,653	8,028,190	.3
Estimated world total beet sugar......................	8,953,235		
CANE SUGAR			
Total, 11 countries previously reported..........	10,740,022	11,712,900	9.1
Estimated world total cane sugar....................	17,566,516		

COTTON

In Uganda progress is satisfactory. The weather is fairly favorable and an average yield is expected although the crop is somewhat late according to the International Institute of Agriculture.

C R O P   P R O S P E C T S, C O N T ' D.

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In Lower California, Mexico, weather conditions during January were ideal for picking, and the season should be over by the end of February, according to Consul Bohr at Mexicali. Ginning returns through January indicate a production of about 73,000 running bales. This is slightly less than the previous estimate of 75,000 bales.

COTTON: Acreage and Production 1924-25 and 1925-26

Country	1924-25	1925-26	Increase over 1924-25
AREA	1,000 acres	1,000 acres	Per cent
Regions previously reporting and unchanged a/	71,168	78,032	9.6
Estimated world total	79,500		
PRODUCTION	1,000 bales	1,000 bales	
Regions previously reporting and unchanged b/	23,386	25,486	9.2
Estimated world total	24,700		

a/ Includes United States, Russia, Chosen, Egypt, Gezira (Anglo-Egyptian Sudan), Italy, Bulgaria, Syria, Uganda, India, Mexico, and Turkey. b/ Includes the United States, India, Egypt, China, Russia, Chosen, Bulgaria, Anglo-Egyptian Sudan, Mexico, Turkey, Tanganyika and Nigeria.

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TOBACCO

The Paraguayan tobacco crop is growing well. Although the decline in price caused some reduction in acreage, greater care has been given the plants and the 1926 crop is expected to equal that of 1925, according to American Consul Digby A. Willson at Asuncion. The 1925 crop was estimated at 25,441,000 pounds compared with 22,884,000 in 1924. Tobacco is an important cash crop in Paraguay. The bulk of the exports go to Europe. Grading methods have been improved in an effort to stimulate exports and production.

The San Andres Tuxtla tobacco district in Mexico, practically abandoned since the outbreak of the world war is to be planted to tobacco this year, according to Consul Edward P. Lowry at Mexico City. Germany formerly provided the chief market for the leaf produced in this section, and while Germany was unable to purchase in foreign markets the district was sown to other crops. There has been a renewal of German orders for tobacco from the Tuxtla district, however, and planting has already begun.

LIVESTOCK, MEAT AND WOOL

Hogs and Pork

GERMAN HOGS FIRM, LARD EASIER: Hog prices at Berlin were firm for the week ending February 17, but lard at Hamburg lost about 30 cents per 100 pounds, according to W. A. Schoenfeld, American Agricultural Commissioner at Berlin. Hog receipts were slightly below the preceding week. See page 247.

BRITISH BACON MARKET IRREGULAR: Prices on American bacon at Liverpool were steady for the week ending February 17, 1926, according to E. A. Foley, American Agricultural Commissioner at London. Quotations on Canadian Wiltshires strengthened somewhat, while Danish rates were easier. Hog receipts declined. See page 247.

Sheep and Wool

DELAYED SHEEP SLAUGHTER IN NEW ZEALAND: Slaughter houses on the North Island of New Zealand opened in December. Since the season is reported to be backward, slaughterings for the month are believed to be below those for December 1924, according to a recent trade report from New Zealand. Slaughtering on the South Island became general only after Christmas. The spring just passed has been cold, with unsettled weather. Generally speaking, fat lambs are some two or three weeks later this year than last.

Clearances of mutton and lamb from New Zealand have been somewhat lighter for the first half of the 1925-26 season than for the same period in 1924-25, as shown in the table on page 245. The shipping strike was a factor in the situation. Clearings of mutton in the second quarter, in which the strike was ended, were about half again as great as in the first quarter. The period of heaviest shipments, especially for lambs, comes in the last half of the season from January to June.

Overall prices for stock delivered at the factory on the North Island so far this season together with the opening rates on the South Island, have been running below those for this period last year as shown below:

	Prime lambs	Prime wethers	Prime ewes
	Cents per lb.	Cents per lb.	Cents per lb.
1924			
North Island, December	22.01 to 23.48	15.16	11.25
South Island, opening rates	24.95	15.65	11.74
1925			
North Island, December	17.69 to 18.60	12.13	9.10
South Island, opening rates	17.69 to 19.71	13.14	9.10

L I V E S T O C K, M E A T A N D W O O L, C O N T'D.

PUNTA ARENAS WOOL CLIP EQUAL TO LAST YEAR: The 1925-26 wool clip in the Punta Arenas region of southern South America is expected to equal the 33,392,000 pounds secured from 4,573,000 sheep last year, according to R. P. Stevenson, American Vice Consul at Punta Arenas. The report covers Chilean and Argentina Tierra del Fuego, the Chilean Territory of Magallanes and the Argentine Territory of Santa Cruz, with the port of Punta Arenas as the shipping point. The clip is sheared from December to February. Conditions in 1925 were unfavorable during the lambing season, with the coldest weather coming in August and early September and low temperatures lasting well into October. Losses are estimated to have reduced lambing from 10 to 15 per cent below normal, and short pastures have resulted in lean animals.

BUTTER PRICES SHOW LITTLE CHANGE

On February 18, both the price of 92 score butter in New York at 44 cents and the official quotation in Copenhagen at 348 kroner were exactly the same as a week earlier. The enhanced exchange value of the Danish krone was responsible, however, for a rise in the price in terms of U.S. and English currency. Aside from the rise in Danish butter due to exchange, London prices remained practically unchanged, Colonial generally bringing a shade less than a week earlier. The margin in favor of New York over Danish in London has thus been narrowed from 11.5 cents on December 26 to less than 2 cents on February 18.

THE BRITISH APPLE MARKET: Prices for barreled apples on this week's Wednesday auction at Liverpool (February 17) were steady to slightly higher for most varieties although Virginia Ben Davis were about 50 cents per barrel below last week's quotation, according to a cable from Mr. Edwin Smith the Department's fruit specialist in Europe. Supplies on barreled varieties in general were light to moderate although there were liberal quantities of New York Baldwins on the market. Demand for the latter was slow. Yorks and Greenings from New York were in good demand, but most other barreled varieties moved slowly. There was practically no change in the boxed apple market with no red varieties being offered at auction. Prices of Oregon Yellow Newtowns were slightly below those prevailing on Wednesday last week. Much of the barreled stock offered particularly Ben Davis and Baldwins was in variable or poor condition. This fact tends to hold down the general level of prices. See page 246.

F R U I T, V E G E T A B L E S A N D N U T S, C O N T 'D.

DATE PRODUCTION BELOW AVERAGE IN IRAQ (MESOPOTAMIA) AND PALESTINE: Production of dates in Iraq (Mesopotamia) for 1925 was reported to be about 20 per cent below normal according to Consul Groth at Beirut. The reduction is attributed to severe frosts and cold weather during the winter of 1924-25, low water during the growing period and severe dust storms which injured the fruit just as it was ripening. The crop of Bosra Vilayet in which all the gardens of the Shat-al-Arab district are located is estimated at 134,000 short tons. Exports from Iraq in 1924 were reported by Consul Randolph of Bagdad at 139,000 short tons. American demand for Iraq dates is reported to be increasing. Date yields in Palestine are about 40 per cent below average according to a recent report from Consul Heizer at Jerusalem. No information is available concerning date production in Arabia and Hejez from which many of our imports come, but if conditions there have been similar to those in the neighboring regions, Iraq and Palestine, a poor crop is to be expected. As previously reported, the degla date crop of Tunis was about normal, amounting to 1,650 short tons while production of common dates was 38,500 short tons or slightly below average.

REDUCED FIG CROP IN THE MEDITERRANEAN REGION: In Turkey unfavorable weather conditions have reduced the fig crop approximately 30 per cent below last year's production, states Trade Commissioner Mood in a report to the Department of Commerce. Turkey is one of the most important sources of our fig imports. The Greek fig crop was reported as below the 16,000 short tons produced in 1924. Dried fig production in southern Italy in 1925 was good. Shipments to the United States amounted to almost twice those of 1924 according to Consul Finley at Naples. The fig crop of Algeria is estimated at only two-thirds of its normal size due to unusual amounts of rain during the last months of 1925 reports Consul D. Williamson. As previously reported fig production in Portugal was slightly below the previous season but the quality was good.

DELAYED EGYPTIAN ONION HARVEST: The Egyptian onion crop is reported about two weeks late, according to R. H. Geist, American Consul at Alexandria. The first shipments from Egypt should arrive in the United States early in April. Imports from Egypt this year are expected to be less than the 706,000 bushels imported last season. See page 239.

MEDITERRANEAN ALMONDS MOVE RAPIDLY: Almonds from the Mediterranean Basin have been marketed rapidly and indications point to very small, if not exhausted, stocks at the end of the season. The low stocks, resulting from generally smaller crops in important producing areas have sustained prices in all markets. See page 243.

SPANISH FILBERTS SLIGHTLY BELOW NORMAL: The 1925 crop of Spanish filberts is reported as being smaller than that of 1922, the most recent year for which an official estimate is available, according to E. A. Foley, American Agricultural Commissioner at London. In Tarragona, the principal producing region, the crop is said to be about normal in size but below normal in quality. See page 244.

REVIEW OF WORLD AGRICULTURE

January 15 - February 15, 1926

Further reports have been received during the month of cereal acreage and production in the southern hemisphere and India together with winter wheat acreage and condition estimates for several European countries. For wheat the most important new estimate is that of the acreage in India which is placed at 29,151,000 acres, or 8 per cent below the final estimate for 1925. Since moisture is reported inadequate the indications are for a crop no larger than that of 1925 and probably somewhat smaller. Since the crop of 1925 was not large enough to allow for any considerable exports, it is not likely that India will be an important factor in the world wheat market situation in 1926.

Winter wheat acreage estimates so far received for the northern hemisphere are slightly below the acreage in the same countries last season, but reports from Austria, Hungary and Yugoslavia, which are still indefinite, indicate an acreage equal to or slightly greater than last year in these countries. The winter rye acreage in eight countries reporting is nearly 11 per cent below the total harvested area of both winter and spring rye in 1925 in the same countries. The condition of winter seedings is generally favorable both in Europe and over much of the United States.

The first official estimates of corn acreage in Argentina for the 1926 harvest is placed at 10,527,000 acres, which is the largest corn acreage recorded in the history of the country. Last year 9,162,000 acres were planted but unfavorable weather resulted in a harvested area of only 7,195,000 acres. Corn yields vary widely in Argentina so it is impossible to form any very accurate opinion of the size of the harvest, but weather conditions so far have been favorable and it seems reasonable to expect an outturn somewhat above that of last year although it may not be as large as the bumper crop of 1923-24.

The rice outlook at present is for a world production slightly below last year. Preliminary estimates of rice production in the Indian provinces and states which in 1924 produced about three fourths of the total Indian crop indicate a reduction of about five per cent in the 1925 crop for those regions. China also expects a crop considerably below normal, according to Consular reports. Little change has been noted during the month in the sugar or cotton situation.

The decrease in the number of swine in Germany during 1925, according to the December 1 census, is in line with decreases shown in the United States estimate of January 1 and estimates for Denmark and England and Wales made about the middle of 1925. The decrease in Germany, however, is less than for the other three countries; only four per cent, compared with 8 per cent in the United States, 11 per cent in Denmark and 18 per cent in England and Wales. Receipts of hogs at certain markets in Great Britain were a little heavier in January than in December and the number of pigs bought for curing in Ireland also showed a small increase in January over

REVIEW OF WORLD AGRICULTURE, CONT'D.

December. Prices of Wiltshire sides in Liverpool were lower in January than in December, the decline amounting to $1.59 per 100 pounds for American and $1.00 for Danish. Stocks of pork in London Central Markets were much lower in January than in December but a little above the stocks in January 1925. Stocks of hams, bacon and shoulders at Liverpool on the other hand were higher in January than in December but lower than in January 1925. Stocks of refined lard at Liverpool were low in January, both as compared with the preceding month and with the corresponding month last year.

Receipts of hogs in 14 markets in Germany increased slightly in January with a slight decline in prices at Berlin. Lard prices in Hamburg, however, averaged $17.57 per 100 lbs. as compared with $17.19 in December. Butter prices in Berlin declined to 31.33 cents per pound in the first week in January but recovered during the month to 38.90 cents per pound in the last week of the month which was higher than the December average.

Economic conditions affecting the demand for raw cotton are not immediately favorable. British mills are considering a further reduction of hours in the American section from 39-1/4 hours to 30-1/2 hours because of lack of sufficient orders for cotton goods and yarns. German industry is passing through an acute depression and operations in Polish cotton mills are practically at a standstill. Conditions in other countries are better but other markets cannot be expected to compensate for a slack demand in Great Britain and Germany. For the latter part of the year the outlook in both of these markets is expected to be better.

There is little prospect of further important exports of wheat from the 1925 crop in the United States. Prices of wheat in the United States are above an export basis and supplies in other surplus countries are sufficient to supply any probable demand. Some corn is being exported but chiefly to Canada and other near-by countries. European demand is being supplied largely from southeastern Europe and from Argentina and South Africa.

In the United Kingdom the present prospects for marketing American pork products seem more favorable than during most of 1925. Economic conditions are somewhat better in Great Britain and competing supplies are in somewhat smaller volume. On the continent, however, the prospects for American pork products are not good. In Germany domestic supplies are still heavy and the protective tariff materially increases the cost of imported supplies. Other importing countries are equally well supplied. American tobacco in Europe is meeting increasing competition, especially from the Near East. For apples, the demand in Europe apparently is not as strong as last year. Imports into the United Kingdom have declined, with an increase in imports of bananas, citrus fruits, grapes and raisins.

In general the foreign demand for American farm products is not immediately favorable but there are indications of economic improvement which may be reflected in stronger demand for staple products later in the year.

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MEXICO IMPORTS FEWER AMERICAN APPLES

Exports of apples from the United States to Mexico during 1925 amounted to only 84,405 boxes and 1,684 barrels as compared with 135,487 boxes and 1,812 barrels during 1924. American apples constitute about 90 per cent of the total Mexican imports of apples. While Mexico produces apples in its highland regions, the best qualities are imported for sale to the better class of trade in the large cities. Our Pacific Coast is the principal source of supply for most of these imports. There is only a small demand for barreled apples but boxed varieties are offered for sale in all of the better class fruit stores of the several large Mexican markets.

The Jonathan and the King are considered to be the best suited for early season deliveries in Mexico. The Black Ben rates next in popularity, followed by the Winesap, the Winter Banana, the Yellow Newtown and the Ortley. The demand for other varieties is small. Mexico is essentially a quality market. Extra Fancy and Fancy grades constitute the bulk of the imports. One large importer states that the sizes to be included in a shipment should show the following selection for best results: 25 per cent 100 and larger, 50 per cent 125/150'3 and 25 per cent 163/175. The trade is insistant upon careful grading and packing and demands the lowest price obtainable.

Most of the importing is done by wholesalers but the use of agents seems to be incrrasing. The wholesaler sells direct to the retailer so that there is a very close connection between shipper and consumer. The usual terms are f.o.b. shipping point, with the buyer paying the freight to final destination. The duty on apples imported into Mexico up until quite recently was about 18 cents per box but has lately been raised to 54 cents a box. Since these apples are purchased only by the more prosperous of the inhabitants, the increase in duty seems hardly likely to have any material effect on the sale of the American product.

NORTH EUROPEAN MARKET CONDITIONS IN JANUARY

According to the January report received in the Department of Agriculture from Agricultural Commissioner William A. Schoenfeld at Berlin, the present market for American agricultural products in Germany is not encouraging but there are some indications of improvements within the next few months. Under present conditions in Germany boxed apples, dried fruits and tobacco, which at present are considered in the nature of luxuries, will not find a particularly remunerative market. In a sense the same situation applies to the better qualities of bread-making wheat but to a less marked degree. Such items as durum wheat and medium and short staple cotton will continue to be in demand. There may be an improvement in the demand for long staple cotton in the spring.

THE NORTH EUROPEAN MARKET SITUATION IN JANUARY, CONT'D.

It can be said that the economic conditions in Germany have reached their lowest ebb. To many, the situation seems without hope of an early revival. One hears statements in Germany to the effect that the depression will last several years, such is the present feeling of pessimism. However, forces are already at work which point the way toward recovery. What appeared to be a mere trickle in the buying of German first-class securities by foreign investors, mainly American, British and Dutch, has since the first of January developed into a large stream. The effect of this buying has been reflected in the sharp upward trend of the German securities market. This upward trend may be taken to indicate a revival confidence on the part of foreign investors in German industry and public utilities.

The rise in the stock market is beginning to make itself felt in the easing of the credit situation. German borrowers who own first-class German securities are, by virtue of the rise in the securities market, enabled to borrow larger sums upon this kind of collateral.

As was stated in a previous report from Commissioner Schoenfeld, the German Reichsbank lowered its discount rate on January 12, from 9 per cent to 8 per cent. Private banks had already lowered their discount rates to about 6-3/8 per cent a few days before. This rate plus the prevailing commissions has made it possible for borrowers to secure loans on prime paper at about 10 per cent. Such credits, which have been based upon the supplies of foreign capital available in Germany, are granted by these banks in cases where it is certain that the borrowers can make turn-overs within the period of the loans. Concomitant with the influx of capital from foreign investors is a rather marked infiltration of long and short time credits from foreign banking sources. There is a noticeable increased demand for German investment bonds.

Imports of raw materials and half-finished goods declined in December as compared with November, while exports of both half-finished and finished goods also decreased. This can be taken as an indication that German industries were not in a position to compete materially on the outside markets. The food tariffs, which became effective in September, have resulted in a decrease of food imports. An examination of the food exports, however, shows that the increase of December over November was brought about by an unusual export of wheat and rye, particularly the latter, as a result of low domestic prices.

The severity of Germany's economic depression is indicated by the tremendous increase in unemployment. Although no absolute statistics of unemployment in Germany are available, the numbers of persons receiving unemployment insurance funds furnish an index of the situation. On December 1, 1925, the numbers of persons receiving such funds were 673,315. On January 1, 1926, the numbers were 1,483,931, and on January 15, 1,762,305. The industrial sections show the largest unemployment figures while the agricultural sections show the smallest.

THE NORTH EUROPEAN MARKET SITUATION IN JANUARY, CONT'D.

There are indications, however, that unemployment may have reached its lowest figure. In cities of more than 50,000 inhabitants, where the unemployment has been most severe the numbers of situations open for men, as reported by employment bureaus, have not been decreasing recently as they have for the past two months. In Berlin the demand for office workers has begun to increase. In addition there are signs, as indicated in another section of this report, that the present business depression has reached its lowest point and improvement may be expected in the early spring months.

Many industries, particularly those that were subject to the greatest expansion during the war and during the inflation period, are hard hit. Many of these lack the effective organization which will enable them to meet the present crisis. The securing of liquid operating capital by these industries is particularly difficult. The lack of operating capital has brought about a decrease both in the number of working hours per week and in the numbers of active workers. Conditions in German agriculture, while they cannot be considered to have improved, are more hopeful. One favorable sign is that many of the short term obligations are being converted into notes of a duration best fitted to the needs of the particular type of agriculture involved. Many of the provincial banks are requiring a statement on the part of the intending farmer borrower as to the use to which the borrowed money is to be put. Great emphasis is being placed upon the application of farm credit to productive enterprises only.

An indication that the liquidation phase in the German business cycle has been reached is the rapid decrease in retail prices which has taken place since the holidays. Merchants, in general, are vying with one another in attempting to move their carryover stocks at price reductions ranging from 5 per cent below the holiday prices for staple lines to 25 to 50 per cent reductions in seasonal and style goods. The general decline in the retail and wholesale price levels, however, is not truly indicative of conditions as they are. Quotations as reported to the German Statistical Office frequently represent credit prices. Purchasers, either retail or wholesale, can secure with cash substantial reductions from the nominal prices quoted.

Bankruptcies in Germany for the month of December were 1,683 compared with 1,415 in November. The number of firms passing into the hands of receivers rose to 1,397 in December as against 921 in November. For the year 1925 there were 10,935 bankruptcies compared with 5,929 in 1924 and 249 in 1923.

Textiles: Conditions in the German textile industry have shown no marked improvement during the period of this report, in fact, in many areas conditions have become worse. In some of the Saxon and south German mills the working week has been reduced to 46 hours; there have also been many reductions in the numbers of workmen in some of these mills. Up to late

THE NORTH EUROPEAN MARKET SITUATION IN JANUARY, CONT'D.

in December, some mills had orders for the conversion of raw materials into yarns and finished goods. These orders for raw material conversion have also subsided. A slight improvement is noticed in the demand for yarns since the first of the year. Some of the older Silesian mills have installed labor saving machines to reduce costs. In the end, this should prove a worthwhile undertaking. As the demand for cotton goods revives, these mills will be able to compete with the more modern mills.

Denmark

Because of sharp competition on the English markets from Australian and New Zealand butter, Danish butter exporting associations have decided to meet the situation with an improvement in their butter quality standards and a more rigid butter control. Many of the difficulties encountered by the Danish butter export cooperatives have been brought about by small butter producing units. It has been decided to exclude the products of some of these small units unless the latter meet the requirements of the export associations. The effect of the German tariffs which became operative last September has been to influence seriously Denmark's dairy products trade with Germany. Danish industry, particularly textiles, and shipping is seriously depressed. Unemployment is general, being nearly twice that of last July. The government has by various means attempted to improve the situation by lowering duties on raw materials, and by extending credit by indirect means to those industries which are most seriously depressed.

Textiles: The Danish Finance Minister has proposed a law with which, it is hoped, the textile industry of that country will be aided in tiding over the present crisis. The contemplated law proposes customs reductions on textile machinery, raw materials, yarns and half finished goods. The problem that still remains is to bring about a higher productivity per unit of labor and also a substantial decrease in the labor cost per unit produced.

The Netherlands

As a result of the depression in the milling industry at Mannheim, Germany, the port of Rotterdam has suffered economically from a seriously reduced Rhine tonnage in wheat, reports Mr. Schoenfeld.

The general decline in butter prices has had the effect of lowering oleomargarine prices. Both the dairying and oleomargarine manufacturing industries have suffered from a lack of purchasing power on the part of the countries with which the Netherlands does business. In general the national income of the Netherlands, which is to a large extent based on commerce, has suffered from the acute business depression in Germany and the unsatisfactory conditions which still prevail in the United Kingdom.

THE NORTH EUROPEAN MARKET SITUATION IN JANUARY, CONT'D.

Poland

Polish industrial conditions show no improvement. Production in manufacturing plants has been further contracted since the middle of December and some plants have closed entirely. Large exports of grain immediately after harvest so depleted stocks that imports of wheat will probably be necessary before the next harvest. Under present conditions Poland cannot be considered a good market for raw cotton or for any other agricultural products which the United States is in a position to export.

Textiles: Before the war some of the Polish textile mills had extended their export market as far as Manchuria. The present market does not extend farther than Moscow. Even to this point, sales by Polish mills have been minor during the past year. By some it is claimed that the textile industry of Poland cannot exist without the Russian and Siberian market.

THE EGYPTIAN ONION SITUATION

With a somewhat larger early onion crop in prospect in Texas and California, and with the 1925-26 Egyptian onion crop being unofficially estimated at somewhat below the crop of last year, it appears unlikely that American imports from Egypt this year will be as large as the record trade last year, when 706,000 bushels, or about 1,400 cars were imported from Egypt. Continental European demand, which has been increasing, may further relieve the American market.

A delay of two weeks in the Egyptian harvest will also tend to reduce Egyptian shipments to this country, but with the Texas crop also late, possibly by as much as two weeks, this factor will not be as important as under normal conditions. The first arrivals from Egypt, as far as can be judged at present, should occur early in April at about the time that the first shipments from Texas will be coming on to the market. Texas growers, it appears, will not be able to profit much from the expected delay in arrivals from Egypt.

With a larger early American crop in prospect, it is possible that early shipments from Egypt may be materially smaller than last year, with the bulk of arrivals coming in after the peak of the early crop movement from Texas and California. Shippers who will have stocks to move during June should watch the Egyptian situation, as this would seem to be a logical time for the heaviest Egyptian movement this year. Bi-weekly cabled reports of Egyptian exports will be available from this office and the field offices of the Bureau of Agricultural Economics.

THE EGYPTIAN ONION SITUATION, CONT'D.

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Statistics of the onion industry in Egypt for the past twelve years are given in the following table. In a normal year the onions available for export from Egypt range from 35 to 50 per cent of the total crop:

AREA AND PRODUCTION OF ONIONS IN EGYPT

Season	Area	Production
	Acres	Bushels
(Average 5 years)		
1912-13 to 1916-17	26,080	6,892,490
1917-18 " 1921-22	34,823	8,708,100
1917-18	45,187	11,872,510
1918-19	30,374	a/
1919-20	33,864	a/
1920-21	28,479	7,027,470
1921-22	36,213	9,028,390
1922-23	42,034	9,919,780
1923-24	40,770	10,120,980
1924-25	40,609	10,051,700

a/ Reliable statistics not available.

Planting and Harvesting Season

The onion crop year in Egypt starts on September 1 and ends on August 31 of the following year. The usual time of sowing the seed both in Upper and Lower Egypt is in the month of September. The period for transplanting the bulbs varies according to whether the Nile falls early or late. The operation is generally carried out, however, in the months of November and December when the bulk of the export crop is transplanted. In cases where onions are grown on irrigated land in both Upper and Lower Egypt transplanting does not take place until in December and January. Harvesting takes place four to five months after transplanting. The first onions of the Upper Egyptian crop usually appear in Alexandria early in March and these, when exported, generally realize high prices.

Varieties Produced

The bulk of the Egyptian onion crop is produced in upper Egypt and most of the onions are of the red Spanish variety. Egyptian onions in general are quite similar to the Spanish except that they are slightly stronger and a little smaller in size. Two types of commercial onions are grown in Egypt, the "Saidi" and the "Beheiri", both being red in color. The "Saidi" variety is produced in Upper Egypt and the "Beheiri" in Lower Egypt. Most of the onions entering the export trade are of the "Saidi" variety because of their firmness and general uniformity of size and color. "Beheiri" onions are important in the internal trade of Egypt. This variety of onion is popular in the internal trade because of its desirable flavor, and it is much used in cooking.

THE EGYPTIAN ONION SITUATION, CONT'D.

Marketing Methods

The marketing of Egyptian onions in most foreign countries is largely determined by the time of maturity of the crop in competitive producing countries. With respect to the American market the demand for Egyptian onions is almost entirely dependent upon the condition, size, and the time of maturity of the Texas crop. Egyptian onions cannot compete with American onions on favorable terms once the movement of the Texas crop is under way, and Egyptian exports must be adjusted as carefully as possible to the marketing of the United States crop. In the same way as regards Continental markets, the Egyptian crop must precede the early Spanish crop. For this reason the Egyptian export trade in onions is generally considered as highly speculative, operators frequently losing in some markets all the profits made in others, and experiencing, consequently, in some years very disastrous results and in other years substantial profits. Exportation to England and some Continental countries, however, is relatively steady.

Some exporters are developing individual brands and endeavoring to insure uniformity and standard quality. This modern merchandising practice will undoubtedly do much towards heightening the prestige of the Egyptian onion in world markets, and, consequently, should tend to develop a more even export demand from year to year in markets which purchase onions from several sources.

Egyptian exporters usually operate with their foreign customers only on a strict letter of credit basis which permits them to draw cash in full upon presentation of complete shipping documents at the bank in Alexandria. Some shippers, however, agree to part cash against presentation of documents at Alexandria with the balance payable upon arrival of the shipment at the foreign destination. As onions are a somewhat perishable commodity both buyer and seller are anxious not to assume the risks of the ocean voyage. With the usual handling, however, the Egyptian onion shows little if any deterioration after long ocean voyages, if sound and dry when shipped.

Ocean Freight Rates

Ocean freight rates on Egyptian onions from Alexandria to European Mediterranean, United Kingdom, and American ports are usually determined late in January for the entire season by the representatives of the various shipping conferences. A rather strict differential is maintained in quotations between United Kingdom and American ports. However, a surprisingly large share of the Egyptian onions going to Atlantic seaboard ports (Boston and New York) are carried by non-conference steamers, some of which quote below and others above the conference rate, depending upon the service offered, the steamer, and the scheduled time of arrivals at destination.

THE EGYPTIAN ONION SITUATION, CONT'D.

Foreign Trade

That onions are rapidly taking their place as an important factor in the foreign trade of Egypt is evidenced by an examination of the Egyptian export returns for the last three seasonal years ending August 31 of 1923, 1924 and 1925. These statistics show that exports have increased from 3,450,000 bushels in 1922-23 to 5,995,000 bushels in 1924-25. While the United Kingdom still remains the principal foreign market, Egyptian onions are now exported in important quantities to all of north western Europe as well as to the United States. The tariff on onions imported into the United States is 1 cent a pound.

EGYPTIAN ONION EXPORTS: September 1 to August 31, 1922-23 to 1924-25.

Countries	1922-23	1923-24	1924-25
	Bushels	Bushels	Bushels
United Kingdom	2,037,120	1,976,745	2,166,455
Malta	-	81	4,214
Aden	14,577	21,385	13,488
British India	36	-	-
British East Africa	26,726	18,502	10,843
Arabia	11,299	15,327	10,923
Austria	2,442	27,767	15,476
Belgium	2,018	11,329	18,181
Denmark	17,660	17,352	17,727
Eritrea	3,076	2,312	7,420
France	94,328	293,152	329,109
Germany	121,965	452,188	782,628
Greece	21,880	30,072	9,939
Holland	94,962	192,060	232,505
Italy	407,669	1,043,153	1,373,633
Palestine	9,846	23,206	27,544
Sweden	6,467	5,501	638
Switzerland	24,222	35,013	22,127
Syria	2,495	20,382	25,327
Tripoli	8,945	4,744	4,735
Turkey	38,351	38,304	616
United States	490,507	265,036	824,698
Portuguese Poss, in Africa	1,816	1,766	797
Other Countries	11,253	30,111	95,872
Total	3,449,710	4,525,488	5,994,395

This report is based on data supplied by the former American Consul at Alexandria, Mr. Lester C. Maynard and by Richard A. May, the present American Trade Commissioner at that post.

FOREIGN ALMOND MARKET FIRM WITH REDUCED STOCKS

Reports on the almond situation in the Mediterranean Basin received in the Department of Agriculture since the first of the year make no significant revisions in information previously reported. There are numerous indications, however, that the end of the season will find only a very small carryover of nuts on hand if stocks are not totally exhausted. The crop has been marketed rapidly in practically all sections of the Basin, as a result of the shortness of the crop in the larger producing areas. Demand slackened in some markets at the close of the year, as is usual after the holidays, but prices are reported firm in all markets, with the generally low stocks the important factor in the situation.

Presented below are summary statements of reports received during the past six weeks:

Spain

The almond crop of Spain for the 1925 season is officially estimated at 99,046 short tons, according to a cable from the International Institute of Agriculture at Rome. The latest official figures for all of Spain available for comparison are those of 1922 when the almond crop amounted to 81,396 short tons. No trade estimates of the Spanish crop as a whole, are available for comparison with the official figures, but the official estimate, judging from such data as are available, in general confirms trade estimates that the crop is much larger than last year and considerably above normal, at least for post-war years. The area devoted to almond production in Spain is officially estimated at 370,846 acres.

M. Todd-Naylor, Clerk to the American Trade Commissioner at Rome, reported in the first part of January that the demand for almonds in Spanish markets continued active throughout December, the growers continuing to hold out for higher prices. A few markets were experiencing very light demand during the holiday season, but the situation with regard to stocks was enabling prices to be maintained.

Sicily

The Sicilian almond market at the first of the year was firm notwithstanding a slackening demand, according to trade reports received from Agriculture Commissioner Foley. Stocks of this year's crop were firmly held by speculators who anticipated a steady and possibly higher price, as a result of the small crop and the lowness of stocks in other markets.

Smyrna

The almond crop in the Smyrna district in 1925, according to trade estimates reported by Consul Samuel W. Honaker at Smyrna, amounted to approximately 120,000 okes (340,000 pounds) as compared with a production of around 200,000 okes (556,000 pounds) in 1924. Smyrna merchants estimate that approximately two-thirds of the 1925 crops will be exported during the season and that about three-fourths of the anticipated exports had been made by the middle of November. Most of the Smyrna exports go to France, Italy and Great Britain.

FOREIGN ALMOND MARKET FIRM, WITH REDUCED STOCKS, CONT'D.

Persia

The 1925 almond crop in Persia did not exceed 16,000 short tons, as compared with a crop of about 25,000 tons in 1924, according to Consul Earl de G. MacVitty, Teheran. A large proportion of the crop is below fair in quality, a general drought being responsible both for the shortness of the crop and the inferior quality. Stocks carried over from 1924 were exhausted early in 1925.

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SPANISH FILBERTS SLIGHTLY BELOW NORMAL

The 1925 Spanish filbert crop is officially estimated at 21,162 short tons, according to a cable to the Department of Agriculture from the International Institute of Agriculture at Rome. The last official figure available for all of Spain is that of 1922, when the crop amounted to 27,274 short tons. This year's crop in Tarragona, the principal producing region, however, has previously been estimated to be about normal in size although below normal in quality. Trade reports forwarded by Mr. E. A. Foley, Agricultural Commissioner at London, place production in that region at 300,000 bags of 58 kilos each, in the shell, or about 19,180 short tons. The area devoted to filbert production in Spain has just been officially estimated at 28,398 acres.

The Tarragona filbert market at Reus was reported very quiet early in December, as a result of keen Turkish competition in consuming markets, according to Consul Frank Henry, Barcelona. Reus growers were said to be refusing to meet this competition by lowering prices and were holding their filberts for better prices. An early January report from M. Todd-Naylor, Clerk to the Trade Commissioner at Rome, indicates that demand improved immediately prior to the holidays and that prices were advancing. Turkish competition, while keen, particularly in the German market, was expected by the Spanish trade to decrease after the first of the New Year. Both growers and exporters apparently were expecting higher prices to result during January and February.

The Turkish filbert crop has turned out to be somewhat less than the 300,000 bags expected earlier in the season, although the crop is still considered very good. The high quotations prevailing early in the season are reported to have retarded marketing the crop, with the result that a considerable portion of the crop still remains in the producing districts, according to Assistant Trade Commissioner, J. A. Mood, Constantinople. Some difficulty is anticipated in disposing of the remaining stocks at prices that will bring a profit.

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GRAINS: Exports from the United States, July 1-February 13, 1924-25 and 1925-
PORK: Exports from the United States, July 1-February 13, 1924-25 and 1925-

Commodity	July-Feb. 13 1924-25	July-Feb. 13 1925-26 a/	Jan. 23 1926	Jan. 30 1926	Feb. 6 1926	Feb. 13 1926
GRAINS:	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Wheat	156,208	40,675	781	815	770	683
Wheat flour	b/43,920	b/27,400	441	706	364	410
Rye	28,931	6,542	0	90	303	0
Corn	4,779	16,331	749	906	2,466	500
Oats	4,368	23,445	83	148	157	112
Barley	16,442	22,904	84	377	65	17
PORK:	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Hams & shoulders, inc Wiltshire sides	172,773	124,247	973	3,838	1,488	2,316
Bacon, including Cumberland sides	172,393	141,115	4,816	9,348	4,930	6,083
Lard	531,743	421,647	16,101	18,639	13,964	10,473
Pickled pork	16,627	16,772	457	415	282	496

Compiled from official records of the Bureau of Foreign and Domestic Commerce.
a/ Revised to December 31, including exports from all ports. b/ In terms of bushels of wheat.

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New Zealand Clearances of Mutton, Lamb and Beef
1923-24, 1924-25 and 1925-26

	Mutton carcases			Lamb carcases		
	1923-24	1924-25	1925-26	1923-24	1924-25	1925-26
1st quarter	a/	635,000	400,000	a/	956,000	538,000
2nd "	a/	457,000	613,000	a/	271,000	347,000
3rd "	786,000	650,000		1,842,000	1,376,000	
4th "	314,000	653,000		1,556,000	2,150,000	

	Beef quarters		
	1923-24	1924-25	1925-26
1st quarter	a/	93,000	33,000
2nd "	a/	37,000	170,000
3rd "	80,000	50,000	
4th "	91,000	161,000	

a/ Figures not available.

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Prices of American apples in Liverpool, Wednesday February 17, and Wednesday February 10, 1926, and week ending February 21, 1925.

Variety and Grade	Origin	Price: Wednesday Feb. 17, 1926	Wednesday Feb. 10, 1926	Week ending Feb. 21, 1925
		Per bbl	Per bbl	Per bbl
York, A-2 1/4	Virginia		7.06-7.79	6.92-7.64
A-2 1/2	"	6.57-8.27	8.27	
Ben Davis, A-2 1/4	"	4.38-5.11	4.87-5.60	
A-2 1/2	"	4.38-5.11		
A-2 1/4	Maine	(I) 4.14-4.62		
A-2 1/2	"		(P) 3.65-4.50	
Ungraded 2 inch Stock	"	(I) 3.41-3.65		
Pippins, A-2 1/4	Virginia		(F) 6.08-7.30	
A-2 1/2	"	6.33-7.30		
A-2 1/2	"	(I) 5.84-6.33		
Baldwin, A-2 1/4	New York		(I) 3.89-4.14	6.42-6.62
A-2 1/2	"	(I) 4.38-4.62	(I) 3.41-4.87	
A-2 1/4	"	4.87-6.08		a/ 7.85-8.57
A-2 1/2	Maine	(F) 4.20-5.47	(F) 5.11	
Rhode Island Greening:				
A-2 1/4	New York	5.47-5.96	4.87-5.35	6.42-6.78
A-2 1/2	"	6.57-7.06	6.57-7.06	
		Per box	Per box	Per box
Yellow Newtown:				
Extra fancy,				
150/larger	Oregon		3.71	
" " 163/175	"	3.65-3.71	3.77	
Fancy, 163/175	"	3.16-3.41	3.47-3.59	b/ 2.40-3.24
" 150/larger	"		3.47	

a/ Similar lot in poor condition brought $3.68. b/ All grades. (F) Fair condition (I) Inferior fruit. (P) Poor condition.

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INCREASED WINTER GRAIN ACREAGE OF POLAND

The winter wheat acreage of Poland is 2,575,000 acres according to the Institute. The first winter wheat estimate for the 1925 harvest was placed at 2,549,000 acres and the most recent estimate at 2,510,000. The total winter and spring wheat acreage last year was 2,724,000 acres. Winter rye is estimated at 12,301,000 acres compared with 12,214,000 acres according to the first estimate last year and 12,076,000 in the most recent estimate. The total winter and spring wheat area last year was 12,150,000 acres. The winter barley area is 62,000 acres compared with 63,000 in the first estimate for 1924. These figures were received too late to include in the table on page 227.

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BUTTER: Prices in London, Berlin, Copenhagen and New York
(By Weekly Cable)

Market and Item	February 12, 1926	February 19, 1926	February 19, 1925
New York, 92 score a/	44.00	44.00	41.00
Copenhagen, official quotation	39.18	40.92	45.70
Berlin, la, quality a/	39.33	39.98	c/
London:			
Danish	41.71	42.37	47.84
Dutch, unsalted	43.23	43.24	47.62
New Zealand	37.91	37.58	37.21
New Zealand, unsalted	38.89	38.45	40.19
Australian	36.06	35.85	35.72
Australian, unsalted	36.49	36.50	37.85
Argentine, unsalted	33.46 - 35.20	30.42 - 34.76	35.29 - 38.27
Siberian	32.59 - 33.46	b/	b/

Quotations converted at exchange of the day. a/ Thursday price. b/ No quotation. c/ Not received at that time.

EUROPEAN LIVESTOCK AND MEAT MARKETS
(By Weekly Cable)

Market and Item	Unit	Week ending February 10, 1926	Week ending February 17, 1926	Week ending February 18, 1925
GERMANY:				
Receipts of hogs, 14 markets	Number	48,802	48,744	52,675
Prices of hogs, Berlin	$ per 100 lbs.	16.21	16.42	12.91
Prices of lard, tcs. Hamburg	"	17.13	16.82	17.57
UNITED KINGDOM AND IRELAND:				
Hogs, certain markets, England	Number	10,096	9,311	14,700
Hogs, purchases, Ireland	"	14,649		18,403
Prices at Liverpool:				
American Wiltshires	$ per 100 lbs.	22.16	22.16	18.11
Canadian "	"	23.46	23.90	20.45
Danish "	"	26.72	26.50	24.50
Imports, Great Britain: a/				
Mutton, frozen	Carcasses			
Lamb, "	"			
Beef, "	Quarters			
Beef, chilled	"			
DENMARK:				
Exports, of bacon a/b/	1,000 lbs.	7,073		7,900

a/ Received through the Department of Commerce. b/ Week ending Tuesday preceding date indicated.

Index

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